



## The Dark Side of Citizens United

The U.S. Chamber of Commerce Is the Biggest Spender of Undisclosed Money in 28 of 35 Congressional Contests

## Acknowledgments

This report was written by Sam Jewler, Communications Officer for U.S. Chamber Watch. It was edited by Lisa Gilbert, Director of Public Citizen's Congress Watch division and Congress Watch Research Director Taylor Lincoln.

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The U.S. Chamber of Commerce ("the Chamber") is the largest overall spender in the 2014 congressional elections among outside groups that do not disclose their contributors. It is also the largest such spender in more than 80 percent of the contests it has sought to influence, a Public Citizen analysis of campaign spending data from the Center for Responsive Politics shows.

The U.S. Supreme Court's 2010 decision in *Citizens United v. Federal Election Commission* permitted corporations and unions to spend unlimited sums to influence elections and had the ostensibly inadvertent effect of permitting some outside groups, such as the Chamber, to use contributions from anonymous donors to fund overt efforts to influence elections.<sup>1</sup>

Unlike political action committees and super PACs, which must disclose their donors, 501(c) groups (such as the Chamber) are not required to disclose the sources of their funding. For this reason, the 501(c) groups that choose to engage in electioneering activities are referred to as "dark money," groups. All groups must disclose to the Federal Election Commission certain types of electioneering expenditures made, as opposed to contributions received, however.

This paper examines the Chamber's spending to influence the 2014 elections and how the Chamber's efforts compare with other non-disclosing groups. It should be noted that the numbers reported may greatly understate actual amounts spent to influence elections because there is no requirement to report spending on advertisements aired outside of certain time windows that praise or criticize candidates but do not expressly advocate for or against the candidate's election.

The analysis shows that the U.S. Chamber is by far the top dark money spender in 2014. It had spent \$31.8 million as of October 25, 2014. Its nearest competitor, Crossroads GPS, had spent \$23.5 million. [See Table 1]

The Chamber has reported expenditures intended to influence eight of the 10 contests that have drawn the most outside spending in 2014 and 16 of the top 20. Its \$4.7 million spent in the North Carolina Senate race, the most hotly contested race this cycle, is part of a deluge of outside spending that, by mid-October, had already broken the record for outside spending in a congressional race.<sup>2</sup> The Chamber has spent more than \$3.7 million in the Colorado Senate race, which has seen the second-highest amount of outside spending this

<sup>&</sup>lt;sup>1</sup> See, e.g., TAYLOR LINCOLN AND CRAIG HOLMAN, PUBLIC CITIZEN, FADING DISCLOSURE INCREASING NUMBER OF ELECTIONEERING GROUPS KEEP DONORS' IDENTITIES SECRET (Sept. 15, 2010), <u>http://bit.ly/1te47qy</u>.

<sup>&</sup>lt;sup>2</sup> Andrew Mayersohn, *North Carolina Senate Race now No. 1 All-Time in Outside Spending*, OpenSecrets Blog (October 17, 2014), <u>http://bit.ly/1tGKQAA</u>.

cycle. And in the Iowa Senate race, another hot-button locale, it has spent about \$2.6 million.

The two top 10 races the Chamber has skipped are the Louisiana U.S. Senate race, in which a challenger is taking on Sen. Mary Landrieu (D) and the Arkansas U.S. Senate race, in which a challenger is taking on Sen. Mark Pryor (D). Of the top 20 races, the U.S. Chamber stayed out of the Massachusetts special election held earlier this year pitting Rep. Ed Markey (D) against Gabriel Gomez (R), which Markey won, as well as a New York House race between Timothy Bishop (D) and incumbent Lee Zeldin (R). [See Table 2]

The Chamber has been the biggest spender among non-disclosing outside groups in 28 of 35 races in which it has gotten involved. It is the second-biggest non-disclosing spender in three races, and the third-biggest dark money spender in four races.

The Chamber has spent an average of \$908,000 per race. The Chamber was the only dark money spender in five races out of the 35 in which it has spent money.

Almost all of the money the Chamber has spent has gone to aid Republicans or hinder Democrats. It has reported spending \$22.8 million to "support" Republicans and \$8.2 million to "oppose" their Democratic opponents, along with \$1 million spent to "oppose" Republicans. The Chamber has not spent any money supporting Democrats.<sup>3</sup> The money the Chamber has spent opposing Republicans was all in primary races, where the Chamber worked to oppose Tea Party Republicans and others who might not agree with it on issues like the government shutdown and bailouts.<sup>4</sup> This included spending \$500,000 in opposition to Chris McDaniel (R-Miss.). McDaniel lost a challenge to Sen. Thad Cochran (R-Miss.) in a June runoff election by just 6,700 votes after the Chamber produced a lastminute ad for Cochran featuring NFL legend Brett Favre.<sup>5</sup>

The Chamber has involved itself in 12 races for seats in the U.S. Senate, which is closely contested this season. It was the top dark money spender in seven of the 12 Senate races, and spent an average of \$1.7 million in the 12 races.

The Chamber has spent \$11,555,946 on independent expenditures in 23 U.S. House races, out of the 35 total races it has participated in. Of these 23 races, the Chamber was the top

<sup>&</sup>lt;sup>3</sup> Public Citizen analysis of data provided by the <u>Center for Responsive Politics (www.opensecrets.org</u>) as of Oct. 25, 2014.

<sup>&</sup>lt;sup>4</sup> Tom Hamburger, *The Biggest Winner in Primaries: U.S. Chamber of Commerce*, THE WASHINGTON POST (May 21, 2014), <u>http://wapo.st/1vg96oF</u>.

<sup>&</sup>lt;sup>5</sup> Mississippi Primary Runoff Election Results, THE NEW YORK TIMES, <u>http://nyti.ms/1v9FCsy</u> and Peter Hamby, Company Men: The U.S. Chamber Flexes Its New Political Muscle, CNN (July 22, 2014), <u>http://cnn.it/1tMAhvT</u>.

dark money spender in all but two of them (it was the number two spender in one and the number three spender in another).

The chart below, lists the top 10 non-disclosing outside spending groups. Table 2 shows the top 20 races in which the Chamber has gotten involved, ranked by the amount of money the Chamber has spent. Table 3 shows the amount the Chamber has spent in each of the contests in which it has gotten involved and where it ranks among dark money spenders in each.

In a record year for dark money expenditures, the U.S. Chamber of Commerce is leading the way. The waves of non-disclosed money flooding elections threaten to disempower and discourage voters, making government less transparent and less accountable.

## Table 1: Spending by Top 10 Non-Disclosing Outside Groups in 2014 Congressional Elections

	Group	Total	View*
1	U.S. Chamber of Commerce	\$31,793,428	С
2	Crossroads GPS	\$23,484,400	С
3	League of Conservation Voters	\$9,467,254	L
4	Patriot Majority USA	\$8,491,895	L
5	Kentucky Opportunity Coalition	\$7,136,818	С
6	American Action Network	\$6,845,848	С
7	National Rifle Assn	\$6,751,860	С
8	Carolina Rising	\$3,279,626	С
9	Americans for Prosperity	\$2,719,716	С
10	American Chemistry Council	\$2,382,066	С

Source: Center for Responsive Politics (www.opensecrets.org)

\*View: C = Conservative, L = Liberal, as determined by the Center for Responsive Politics

	Race (District for House Contests)	Candidates	U.S. Chamber Spending	Total Outside Spending
1	N.C. Senate	Kay Hagan (D) v. Thom Tillis (R)	\$4,730,047	\$67,517,284
2	Colo. Senate	Mark Udall (D) v. Cory Gardner (R)	\$3,724,275	\$57,098,005
3	Iowa Senate	Bruce Braley (D) v. Joni Ernst (R)	\$2,593,038	\$51,204,530
4	Ark. Senate	Mark Pryor (D) v. Tom Cotton (R)	\$0	\$35,823,635
5	Alaska Senate	Mark Begich (D) v. Dan Sullivan (R)	\$1,325,834	\$34,253,981
6	Ky. Senate	Alison Lundergan Grimes (D) v. Mitch McConnell (R)	\$1,166,120	\$29,008,517
7	Mich. Senate	Gary Peters (D) v. Terri Lynn Land (R)	\$500,000	\$26,333,975
8	N.H. Senate	Jeanne Shaheen (D) v. Scott Brown (R)	\$1,612,077	\$23,200,696
9	Ga. Senate	Michelle Nunn (D) v. David Perdue (R)	\$2,335,451	\$20,679,812
10	La. Senate	Mary Landrieu (D) v. Bill Cassidy (R)	\$0	\$15,424,631
11	Miss. Senate*	Thad Cochran (R) v. Chris McDaniel (R)	\$1,200,000	\$11,874,553
12	Kansas Senate	Greg Orman (I) v. Pat Roberts (R)	\$600,640	\$10,568,677
13	Ariz. House 1	Ann Kirkpatrick (D) v. Andy Tobin (R)	\$300,000	\$9,981,926
14	Calif. House 7	Ami Bera (D) and Doug Ose (R)	\$600,957	\$9,612,169
15	Ariz. House 2	Ron Barber (D) v. Martha McSally (R)	\$600,424	\$9,099,995
16	Fla. House 13	Alex Sink (D) v. David Jolly (R)	\$1,200,000	\$8,980,475
17	Minn. House 8	Rick Nolan (D) v. Stewart Mills (R)	\$800,190	\$8,942,059
18	Mass. Senate	Ed Markey (D) vs. Gabriel Gomez (R)	\$0	\$8,597,809
19	W.V. House 3	Nick Rahall (D) v. Evan Jenkins (R)	\$450,286	\$8,524,203
20	N.Y. House 1	Timothy Bishop (D) v. Lee Zeldin (R)	\$0	\$8,072,860

Source: Center for Responsive Politics (<u>www.opensecrets.org</u>)\* Primary Election

	Race (District for House Contests)	Candidates	U.S. Chamber Spending (as of October 25, 2014)	U.S. Chamber Ranking Among Non- disclosing Groups
1	N.C. Senate	Kay Hagan (D) v. Thom Tillis (R)	\$4,730,047	1 of 22
2	Colo. Senate	Mark Udall (D) v. Cory Gardner (R)	\$3,724,275	2 of 16
3	Iowa Senate	Bruce Braley (D) v. Joni Ernst (R)	\$2,593,038	1 of 23
4	Ga. Senate	Michelle Nunn (D) v. David Perdue (R)	\$2,335,451	1 of 10
5	N.H. Senate	Jeanne Shaheen (D) v. Scott Brown (R)	\$1,612,077	1 of 10
6	Alaska Senate	Mark Begich (D) v. Dan Sullivan (R)	\$1,325,834	3 of 13
7	Fla. House 13	Alex Sink (D) v. David Jolly (R)	\$1,200,000	1 of 11
8	Miss. Senate*	Thad Cochran (R) v. Chris McDaniel (R)	\$1,200,000	1 of 9
9	Ky. Senate	Alison Lundergan Grimes (D) v. Mitch McConnell (R)	\$1,166,120	3 of 11
10	III. House 10	Brad Schneider (D) v. Robert Dold (R)	\$950,000	1 of 1
11	Minn. House 8	Rick Nolan (D) v. Stewart Mills (R)	\$800,190	1 of 4
12	Colo. House 6	Andrew Romanoff (D) v. Mike Coffman (R)	\$750,916	1 of 1
13	Idaho House 2	Bryan Smith (R) v. Mike Simpson (R)	\$725,000	1 of 4
14	Mass. House 6	Seth Moulton (D) v. Richard Tisei (R)	\$700,212	1 of 5
15	N.Y. House 19	Sean Eldridge (D) v. Chris Gibson (R)	\$650,567	1 of 2
16	Calif. House 7	Ami Bera (D) and Doug Ose (R)	\$600,957	1 of 5
17	Kansas Senate	Greg Orman (I) v. Pat Roberts (R)	\$600,640	1 of 7
18	Ariz. House 2	Ron Barber (D) v. Martha McSally (R)	\$600,424	1 of 5
19	Calif. House 21	Amanda Renteria (D) v. David Valadao (R)	\$550,150	1 of 3
20	Mich. House 1	Jerry Cannon (D) v. Dan Benishek (R)	\$500,572	1 of 2
21	Mich. Senate	Gary Peters (D) v. Terri Lynn Land (R)	\$500,000	3 of 10
22	W.V. House 3	Nick Rahall (D) v. Evan Jenkins (R)	\$450,286	1 of 3
23	N.J. House 3	Aimee Belgard (D) v. Thomas MacArthur	\$350,452	2 of 12
24	Nev. House 3	Erin Bilbray (D) v. Joe Heck (R)	\$350,000	1 of 3
25	Ohio House 14	Michael Wager (D) v. David Joyce (R)	\$350,000	1 of 3
26	N.Y. House 21	Aaron Woolf (D) v. Elise Stefanik (R)	\$300,554	1 of 3
27	N.Y. House 18	Sean Patrick Maloney (D) v. Nan Hayworth (R)	\$300,539	1 of 2
28	Va. House 10	John Foust (D) v. Barbara Comstock (R)	\$300,414	1 of 3
29	Ariz. House 1	Ann Kirkpatrick (D) v. Andy Tobin (R)	\$300,000	3 of 7
30	N.C. House 7	Woody White (R) v. David Rouzer (R)	\$300,000	1 of 3
31	Mont. Senate	Amanda Curtis (D) v. Steve Daines (R)	\$250,000	2 of 4
32	W.V. Senate	Natalie Tennant (D) v. Shelley Moore Capito (R)	\$200,000	1 of 1
33	Ala. House 1 Special	Burton LeFlore (D) v. Bradley Byrne (R)	\$199,401	1 of 3
34	Ky. House 6	Elizabeth Jensen (D) v. Andy Barr (R)	\$175,000	1 of 1
35	Pa. House 6	Manan Trivedi (D) v. Ryan Costello (R)	\$150,312	1 of 1
	Total		\$31,793,428	

Source: Center for Responsive Politics (<u>www.opensecrets.org</u>)